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LISTING STATEMENT NO. 2617.

LISTED MAY 28, 1973.  
10,000,000 Common Shares with  
\$ .25 par value.  
Stock Symbol QRP  
Post Section 3.3

THE TORONTO STOCK EXCHANGE

*File*

LISTING APPLICATION

QUASAR PETROLEUM LTD.

Incorporated under the Companies Act of the Province of Alberta by Memorandum of Association on January 16, 1969.

1. Address of the Company's Head Office and of any other offices:
- 720 One Calgary Place, 330-5th Avenue S.W., Calgary, Alberta T2P 0L4
- 2200 Continental National Bank Building, Fort Worth, Texas 76102, U.S.A.

2. Officers of the Company:

| Office Held  | Name                   | Address  | Occupation |
|--|------------------------|--|------------|
| Chairman of the Board and Vice-President               | Wilford B. Fultz       | 1409 Indian Creek Drive<br>Forth Worth, Texas    | Executive  |
| Vice-Chairman of the Board and Vice-President          | David A. McMahon       | 6300 Greenway Road<br>Forth Worth, Texas         | Executive  |
| Chairman of the Executive Committee and Vice-President | Walter A. Schmid, Jr.  | Post Office Box 389<br>Hico, Texas               | Executive  |
| President  | C. O. Ted Collins, Jr. | 1404 West Pecan, Midland, Texas                  | Executive  |
| Executive Vice-President                               | Bobby F. Abernathy     | 10723 Willowgreen Drive S.E.<br>Calgary, Alberta | Executive  |
| Secretary-Treasurer                                    | Albert J. Cohen        | 7745 Willow Stream<br>Dallas, Texas              | Executive  |



3. Directors of the Company:

| Name                   | Address  | Occupation   |
|------------------------|--|--|
| Bobby F. Abernathy     | 10723 Willowgreen Drive S.E.<br>Calgary, Alberta | Executive  |
| C. O. Ted Collins, Jr. | 1404 West Pecan<br>Midland, Texas                | Executive  |
| Wilford B. Fultz       | 1409 Indian Creek Drive<br>Forth Worth, Texas    | Executive  |
| Richard L. Lowe        | 16 Valley Ridge Road<br>Fort Worth, Texas        | Executive  |
| Robert G. McCullouch   | R.R. #2, Claremont, Ontario                      | Executive Vice-<br>President,<br>Midland-Osler<br>Securities Limited         |
| David A. McMahon       | 6300 Greenway Road<br>Fort Worth, Texas          | Executive  |
| Walter A. Schmid, Jr.  | Post Office Box 389<br>Hico, Texas               | Executive  |
| Glenn C. Speakman      | 17 Caverly Drive<br>Toronto, Ontario             | Manager,<br>Corporate<br>Underwriting<br>Midland-Osler<br>Securities Limited |

4. Names and addresses of all transfer agents:

The Royal Trust Company at its offices in the cities of Calgary and Toronto is the transfer agent of the Company.

5. Particulars of any fee charged upon transfer other than customary government taxes:

\$.50 per share certificate.

6. Names and addresses of all registrars:

The Royal Trust Company at its office at 600-7th Avenue S.W., Calgary, Alberta, Canada, is the registrar of the common shares of the Company.

7. Amount of authorized capital: \$2,500,000.00.

8. Number of shares and par value:

10,000,000 common shares having a par value of \$.25 each.

9. Details of all shares issued in payment for properties or for any other assets other than cash:

| Date       | Number of Shares | Particulars  |
|------------|------------------|--|
| April 1969 | 50,000           | Such shares were issued in exchange for all of the issued and outstanding shares of Galleon Oil Co. Ltd. and based on the appraised value of the assets of Galleon Oil Co. Ltd. the 50,000 shares of the Company were issued at a price of approximately \$1.66 a share. |

10. Full details of all shares sold for cash.

| Date              | Number of Shares | Price Per Share | Amount Realized by Company |
|-------------------|------------------|-----------------|----------------------------|
| February 21, 1969 | 12               | \$1.25          | \$ 15.00                   |
| March 5, 1969     | 14,988           | 3.4068          | 51,062.50                  |
| April 1, 1969     | 15,000           | .55             | 8,250.00                   |
| July 15, 1969     | 3,245,000        | .47             | 1,525,150.00               |
| November 24, 1969 | 10,000           | 2.50            | 25,000.00                  |
| January 1, 1970   | 10,000           | 2.50            | 25,000.00                  |
| June 26, 1971     | 219,755          | 2.50            | 531,120.00                 |
| June 26, 1972     | 453,015          | 5.00            | 2,170,178.76               |
| Total             | 3,967,770        |                 | \$4,335,776.26             |

11. Total number of shares issued. 4,017,770 shares.

12. Number of shares now in treasury or otherwise unissued. 5,982,230 shares.



|   |  |  |                  |  |               |  |               |   |               |  |               |
|---|--|--|------------------|--|---------------|--|---------------|---|---------------|--|---------------|
| 13. Particulars of any issued shares held in trust for the Company or donated for treasury purposes.  | None.  |  |                  |  |               |  |               |   |               |  |               |
| 14. Date of last annual meeting.  | June 9, 1972.  |  |                  |  |               |  |               |   |               |  |               |
| 15. Date of last report to shareholders.  | May 18, 1972.  |  |                  |  |               |  |               |   |               |  |               |
| 16. Details of any treasury shares (or shares issued subject to payment or shares held for the benefit of the treasury) now under option or the subject of any underwriting or sales agreement. If none, this to be stated. | <p>(a) By agreements dated August 1, 1972, Mr. Bobby F. Abernathy, presently Executive Vice-President and Director of the Company, received an option to purchase 14,850 shares at a price of \$6.50 per share, exercisable on a cumulative basis as to 1/5 thereof during each twelve-month period of his employment with the Company, and an option to purchase 5,150 shares at a price of \$3.50 per share exercisable at any time during a period of two years from the date of grant. No options have been exercised as of this date.</p> <p>(b) By agreement dated February 21, 1973, the Company agreed to sell to H. Robert Hovdebo, a geologist who became employed with the Company as of the same date, 6,500 shares of the Company at a price of \$10.75 per share. The total purchase price is payable on February 21, 1976, or at Mr. Hovdebo's election in three equal annual installments, or in the event of the voluntary termination by Mr. Hovdebo of his employment with the Company, the total unpaid purchase price shall become immediately due and payable. The shares purchased by Mr. Hovdebo have been pledged as security for the unpaid purchase price and can only be released upon payment of the purchase price of the number of shares to be released.</p> <p>(c) By agreement dated March 2, 1973, the Company agreed to sell to William M. Bogert, who became employed with the Company as of the same date as Operations Manager, 7,000 shares of the Company at a price of \$9.38 per share. The total purchase price is payable on March 2, 1976, or at Mr. Bogert's election in three equal annual installments, or in the event of the voluntary termination by Mr. Bogert of his employment with the Company, the total unpaid purchase price shall become immediately due and payable. The shares purchased by Mr. Bogert have been pledged as security for the unpaid purchase price and can only be released upon payment of the purchase price of the number of shares to be released.</p> |  |                  |  |               |  |               |   |               |  |               |
| 17. Names and addresses of persons having any interest, direct or indirect, in underwritten or optioned shares or other securities or assignments, present or proposed.   | None.  |  |                  |  |               |  |               |   |               |  |               |
| 18. Details of any payments in cash or securities of the Company made or to be made to a promoter or finder in connection with a proposed underwriting or property acquisition.   | None.  |  |                  |  |               |  |               |   |               |  |               |
| 19. Details of any shares pooled, deposited in escrow, non-transferable or held under any voting trust agreement, syndicate agreement or control.   | None.  |  |                  |  |               |  |               |   |               |  |               |
| 20. Names and addresses of owners of more than a 5% interest in pooled or escrowed shares and their shareholdings.  | None.  |  |                  |  |               |  |               |   |               |  |               |
| 21. Names, addresses and shareholdings of five largest registered shareholders and if shareholdings are pooled or escrowed, so stating.   | <table> <tr> <td>1. American Quasar Petroleum Co.<br/>2214 Continental National Bank Building<br/>Fort Worth, Texas .....</td> <td>3,260,000 shares</td> </tr> <tr> <td>2. Midland-Osler Securities Limited<br/>Toronto-Dominion Centre<br/>Box 25<br/>Toronto, Ontario .....</td> <td>87,400 shares</td> </tr> <tr> <td>3. Canada Permanent Trust Company<br/>(various offices throughout Canada) .....</td> <td>45,600 shares</td> </tr> <tr> <td>4. Mead &amp; Co., Limited<br/>630 Dorchester Boulevard West<br/>Montréal, Québec .....</td> <td>40,550 shares</td> </tr> <tr> <td>5. The Manufacturers Life Insurance Company<br/>200 Bloor Street East<br/>Toronto, Ontario .....</td> <td>30,000 shares</td> </tr> </table>   | 1. American Quasar Petroleum Co.<br>2214 Continental National Bank Building<br>Fort Worth, Texas ..... | 3,260,000 shares | 2. Midland-Osler Securities Limited<br>Toronto-Dominion Centre<br>Box 25<br>Toronto, Ontario ..... | 87,400 shares | 3. Canada Permanent Trust Company<br>(various offices throughout Canada) ..... | 45,600 shares | 4. Mead & Co., Limited<br>630 Dorchester Boulevard West<br>Montréal, Québec ..... | 40,550 shares | 5. The Manufacturers Life Insurance Company<br>200 Bloor Street East<br>Toronto, Ontario ..... | 30,000 shares |
| 1. American Quasar Petroleum Co.<br>2214 Continental National Bank Building<br>Fort Worth, Texas .....  | 3,260,000 shares   |  |                  |  |               |  |               |   |               |  |               |
| 2. Midland-Osler Securities Limited<br>Toronto-Dominion Centre<br>Box 25<br>Toronto, Ontario .....  | 87,400 shares  |  |                  |  |               |  |               |   |               |  |               |
| 3. Canada Permanent Trust Company<br>(various offices throughout Canada) .....  | 45,600 shares  |  |                  |  |               |  |               |   |               |  |               |
| 4. Mead & Co., Limited<br>630 Dorchester Boulevard West<br>Montréal, Québec .....   | 40,550 shares  |  |                  |  |               |  |               |   |               |  |               |
| 5. The Manufacturers Life Insurance Company<br>200 Bloor Street East<br>Toronto, Ontario .....  | 30,000 shares  |  |                  |  |               |  |               |   |               |  |               |
| 22. Names and addresses of persons whose shareholdings are large enough to materially affect control of the Company.  | American Quasar Petroleum Co.<br>2214 Continental National Bank Building<br>Forth Worth, Texas   |  |                  |  |               |  |               |   |               |  |               |



|  |  |
|--|--|
| 23. Details of any registration with or approval or authority for sale granted by or any filing with a Securities Commission or corresponding Government body.   | Pursuant to a prospectus dated June 14, 1969, 701,000 units each consisting of one share of American Quasar Petroleum Co. and one share purchase warrant of the Company were sold pursuant to a public offering in the Provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario and Québec. Each share purchase warrant entitled the holder thereof to purchase one share of the Company at a price of \$2.50 per share until June 26, 1971, and thereafter at \$5.00 per share until June 26, 1972, at which time the share purchase warrant expired. A receipt was received from the Securities Commission of each of the aforesaid provinces authorizing the sale of the aforesaid units in such provinces.                        |
| 24. Has any application for registration with or approval or authority for sale by or any filing with a Securities Commission or corresponding Government body ever been refused, cancelled, suspended or revoked?   | No.  |
| 25. Particulars of any bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding.  | The Company has borrowed \$1,000,000 from a Canadian chartered bank which is secured by security granted pursuant to Section 82 of the Bank Act of Canada upon certain of the Company's properties.  |
| 26. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost or book value and present market value.  | The Company owns all of the issued and outstanding shares of Galleon Oil Co. Ltd., an inactive company, which has no present book value.   |
| 27. Enumerate fully each of the following property classifications, giving claim or property numbers, approximate acreage, townships and mining camp or oil field:<br>(a) Properties owned where titles vested in Company;<br>(b) Properties leased;<br>(c) Properties otherwise held. | See Appendix 1, Page 8.  |
| 28. Full particulars of any royalties or other charges payable upon production from each individual property.  | The royalties payable under those leases obtained from provincial governments vary from 5% to 40% and the royalties payable under leases obtained from freehold owners vary from 12% to 15%. Additionally, some of the properties of the Company are subject to gross overriding royalties which in no case exceed 15%.  |
| 29. Names and addresses of vendors of any property or other assets intended to be purchased by the Company showing the consideration to be paid.   | Apart from occasional purchases of oil and gas properties in the ordinary course of the business of the Company, the Company presently has no intention to purchase any properties or other assets.  |
| 30. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor.   | None.  |
| 31. Are any lawsuits pending or in process against the Company or any of its properties, or are there any other circumstances which might affect the Company's position or title adversely?  | An action has been commenced against the Company and three other Defendants in the Supreme Court of Alberta. The Plaintiff is claiming against each of the Defendants that the amount paid and now due by the Company in respect to work contracted by the Company to one of the other Defendants should be paid to the Plaintiff. Counsel for the Company advises that the Company was joined as a party to the action primarily for the purposes of notice and discovery and that a settlement has been arranged between the other parties to the action whereby the action will be discontinued and the Company will not be responsible to make payment of any amount in excess of that which remains owing for the work performed on its behalf. |



|   |   |              |                  |              |                                  |       |   |                                   |        |   |                                   |        |         |                                  |       |       |
|---|---|--------------|------------------|--------------|----------------------------------|-------|---|-----------------------------------|--------|---|-----------------------------------|--------|---------|----------------------------------|-------|-------|
| 32. Describe plant and equipment on property or properties.   | The Company owns oil and gas well equipment, gathering systems and natural gas processing facilities having a cost of approximately \$1,160,000 at December 31, 1972.   |              |                  |              |                                  |       |   |                                   |        |   |                                   |        |         |                                  |       |       |
| 33. Describe all development accomplished and planned.  | <p>Since the incorporation of the Company in 1969 and up to March 31, 1973, the Company has participated in the drilling of 144 wells in Canada, of which 6 are drilling. During the same period, the Company expended a total of approximately 3 million dollars in respect to wells in which it has participated. Of the wells drilled, 30 are shut-in gas wells, 1 is a producing gas well, 18 are producing oil wells, of which one has now been sold, and 89 were dry and abandoned. The Company is presently evaluating those oil and gas properties in which it presently has an interest to determine what further drilling activity will be carried out in respect to them. With respect to those properties on which there are shut-in gas wells, it is not likely that any further drilling will take place until arrangements have been made to place the existing wells on production. However, it is anticipated that in addition to the 6 wells currently being drilled at least an additional 8 wells will be drilled during 1973 on existing properties of the Company.</p> <p>Canadian-American Resources Fund, Inc., a wholly-owned subsidiary of American Quasar Petroleum Co., the parent of the Company, raises funds for drilling and exploration through the sale of limited partnership interests in the United States. Of the funds raised, approximately 50% thereof is expended in participating in drilling operations in Canada with the Company. The limited partnership pays certain costs and the Company pays certain costs and the Company is entitled to 40% of the interest acquired in each prospect. The limited partnerships formed during 1972 have spent or committed to expend approximately \$8,000,000 in Canada through the Company and it is anticipated that an additional \$15,000,000 will be expended during 1973 in Canada through the Company by limited partnerships formed during 1973. These funds will be used to continue exploration in the foothills area of British Columbia, and in addition the Company will continue to drill shallow- and medium-depth muskeg and plains type prospects in Alberta.</p> <p>The Company has entered into a gas purchase contract for the sale of natural gas from the Grizzly prospect. The gas purchaser has made advance payments to the Company and other participants in the amount of \$5,121,000 of which the Company received \$1,740,000, and certain limited partnerships managed by Canadian-American Resources Fund, Inc. received \$2,320,000. Depending upon the quantity of additional reserves of gas proven in the area, the Company and the other participants can receive further advance payments up to an additional amount of at least \$11,379,000 prior to commencing production. The Company will receive at least 34% of such additional advance payments and the limited partnerships managed by Canadian-American Resources Fund, Inc. will receive at least 51%. The gas purchaser is entitled to be repaid out of 25% of revenues from the wells based upon the daily contract deliverability and 50% of any revenues in excess of the daily contract deliverability for the first five years and 50% of all revenues thereafter until 110% of the advances are fully repaid. Upon development of sufficient gas reserves in the area to support an economic pipeline and connection to existing transportation facilities, the necessary governmental and regulatory authorizations required to permit the production, transportation, and marketing of gas will be applied for. Initial sales are estimated to commence in 1976.</p> |              |                  |              |                                  |       |   |                                   |        |   |                                   |        |         |                                  |       |       |
| 34. Date and author of mining or petroleum engineer's or geologist's report filed with this application and available for inspection on request.  | <p>Cawley and Harrington, Inc.<br/>Mutual Savings Building<br/>Fort Worth, Texas 76102<br/>U.S.A.<br/>January 22, 1973.</p>   |              |                  |              |                                  |       |   |                                   |        |   |                                   |        |         |                                  |       |       |
| 35. Full particulars of production to date.   | <p>The following table sets forth the Company's net oil and gas production, after royalties, for the periods shown:</p> <table><tr><td></td><td>Oil<br/>(Barrels)</td><td>Gas<br/>(Mcf)</td></tr><tr><td>3 months ended December 31, 1970</td><td>1,194</td><td>—</td></tr><tr><td>12 months ended December 31, 1971</td><td>23,665</td><td>—</td></tr><tr><td>12 months ended December 31, 1972</td><td>48,498</td><td>251,256</td></tr><tr><td>2 months ended February 28, 1973</td><td>8,442</td><td>6,782</td></tr></table>   |              | Oil<br>(Barrels) | Gas<br>(Mcf) | 3 months ended December 31, 1970 | 1,194 | — | 12 months ended December 31, 1971 | 23,665 | — | 12 months ended December 31, 1972 | 48,498 | 251,256 | 2 months ended February 28, 1973 | 8,442 | 6,782 |
|   | Oil<br>(Barrels)  | Gas<br>(Mcf) |                  |              |                                  |       |   |                                   |        |   |                                   |        |         |                                  |       |       |
| 3 months ended December 31, 1970  | 1,194   | —            |                  |              |                                  |       |   |                                   |        |   |                                   |        |         |                                  |       |       |
| 12 months ended December 31, 1971   | 23,665  | —            |                  |              |                                  |       |   |                                   |        |   |                                   |        |         |                                  |       |       |
| 12 months ended December 31, 1972   | 48,498  | 251,256      |                  |              |                                  |       |   |                                   |        |   |                                   |        |         |                                  |       |       |
| 2 months ended February 28, 1973  | 8,442   | 6,782        |                  |              |                                  |       |   |                                   |        |   |                                   |        |         |                                  |       |       |
| 36. Have any dividends been paid?   | No.   |              |                  |              |                                  |       |   |                                   |        |   |                                   |        |         |                                  |       |       |
| 37. Name and address of the solicitor or attorney whose certificate that the applicant is a valid and subsisting company and that the shares which have been allotted and issued were legally created and are fully paid and non-assessable has been filed with the Exchange. | <p>Saucier, Jones, Black, Gain, Stratton &amp; Laycraft<br/>300 Bentall Building<br/>444-7th Avenue S.W.<br/>Calgary, Alberta</p>   |              |                  |              |                                  |       |   |                                   |        |   |                                   |        |         |                                  |       |       |
| 38. (a) Have any shares of the Company ever been listed on any other stock exchange?  | No.   |              |                  |              |                                  |       |   |                                   |        |   |                                   |        |         |                                  |       |       |



38. Continued

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|---|-----|
| (b) Is any application for listing the shares of the Company on any other stock exchange now pending or contemplated? | No. |
| (c) Has any application for listing of any shares of the Company ever been refused or deferred by any stock exchange? | No. |

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|---|--------------------------|
| 39. Particulars of the principal business in which each officer and director has been engaged during the past five years, giving the length of time, position held and name of employing company or firm. | See Appendix 2, Page 10. |
|---|--------------------------|

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|---|--|
| 40. The dates of and parties to and the general nature of every material contract entered into by the Company which is still in effect and is not disclosed in the foregoing. | <p>(a) The Company is party to a joint venture agreement with Canadian-American Resources Fund, Inc. ("Can-Am") dated January 15, 1973. Pursuant to such agreement Can-Am, as Managing General Partner of Limited Partnerships formed by it through the sale of limited partnership interests in the United States, has agreed to make available for the joint exploration of drilling prospects at least two-thirds of each limited partnership's drilling funds to the Company provided that the Company is able to present to Can-Am sufficient acceptable drilling prospects. Under the agreement, the Company will be the operator of the prospects jointly drilled. Certain costs (basically those which are deductible by the United States limited partners against their ordinary income) are borne by the limited partnership, and certain other costs are borne by the Company. Certain costs are shared on a proportionate basis based on the respective participating interests in a prospect. All revenues of the joint venture are owned 60% by the Limited Partnership and 40% by the Company.</p> <p>(b) As indicated under Item 33, the Company has entered into a gas purchase contract with Alberta and Southern Gas Co. Ltd. pertaining to the Grizzly Valley prospect. Only certain particulars of such contract have been disclosed as it is in the interest of both parties, and the contract so provides, that the terms of the contract remain confidential for the present time.</p> <p>(c) The Company is a general partner of the limited partnerships formed by Canadian-American Resources Fund, Inc. ("Can-Am") through the sale of limited partnership interests in the United States. The limited partnership agreement which is entered into with the individuals who purchase limited partnership interests, provides that Can-Am, as Managing Partner, and the Company, as a general partner, jointly and severally guarantee the repurchase of the interests of the limited partners in the limited partnership at a repurchase price which is determined in the manner set forth in the partnership agreement. Under such guarantee the Company is not obligated to purchase in any one year interests having a purchase price in excess of 10% of the aggregate original capital contributions to the limited partnership and, further, such guarantee will terminate when the Company and/or Can-Am have purchased partnership interests having an aggregate purchase price equal to 100% of the aggregate original capital contributions to the limited partnership.</p> |
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|--|---|
| 41. Any other material facts not disclosed in the foregoing. | There are no other material facts not disclosed in the foregoing. |
|--|---|

42. STATEMENT SHOWING DISTRIBUTION OF ISSUED CAPITAL  
as of March 30, 1973.

| FREE STOCK  |  | Shares    | Shares    |
|---|--|-----------|-----------|
| (a) Distributed and in the hands of the public (exclusive of the promoters, officers and directors of the Company and their agents and trustees). |  | 707,270   |           |
| (b) Distributed and in the hands of the promoters, officers and directors of the Company and their agents or trustees.                            |  | 3,310,500 |           |
| Total Free Stock  |  |           | 4,017,770 |
| ESCROWED OR POOLED STOCK  |  |           |           |
| (c) Held in escrow or pool as set out in Item 19 of this application.   |  |           | Nil       |
| Total Issued Capital  |  |           | 4,017,770 |
| RECORD OF SHAREHOLDERS  |  |           |           |
| Number of registered shareholders holding shares in class (a) above   |  | 476       |           |
| Number of registered shareholders holding shares in class (b) above   |  | 9         |           |
| Number of registered shareholders holding shares in class (c) above   |  | Nil       |           |

43.

STATEMENT SHOWING NUMBER OF SHAREHOLDERS  
as of March 30, 1973

| Number     |                                      | Shares                        |
|------------|--------------------------------------|-------------------------------|
| 25         | ..... Holders of 1 — 99 shares ..... | 1,175                         |
| 264        | ..... " " 100 — 499 " .....          | 48,175                        |
| 64         | ..... " " 500 — 999 " .....          | 35,675                        |
| 51         | ..... " " 1000 — 1999 " .....        | 59,990                        |
| 33         | ..... " " 2000 — 2999 " .....        | 71,900                        |
| 3          | ..... " " 3000 — 3999 " .....        | 10,300                        |
| 5          | ..... " " 4000 — 4999 " .....        | 23,190                        |
| 40         | ..... " " 5000 — up " .....          | 3,767,365                     |
| <u>485</u> | Shareholders                         | <u>Total Shares 4,017,770</u> |

Dated at Calgary, Alberta the 19th day of April, 1973.

QUASAR PETROLEUM LTD.



"C. O. TED COLLINS",  
President

"ALBERT J. COHEN",  
Secretary-Treasurer



# APPENDIX 1 (Item 27)

## OIL AND GAS PROPERTIES

The following sets forth the oil and gas property holdings of the Company as at March 31, 1973:

| Location  | Type of Holding   | Gross Acres <sup>(2)</sup> | Net Acres <sup>(1)(3)</sup> |
|---|---|----------------------------|-----------------------------|
| <i>Alberta</i>  |   |                            |                             |
| Alliance — Township 40, Range 13, W4M                           | Leasehold   | 4,477                      | 1,768                       |
| Beaton River — Township 88, Range 3, W6M                        | Petroleum and<br>Natural Gas<br>Reservation                                     | 23,040                     | 688                         |
| Bellshill Lake — Township 41, Range 12, W4M                     | Leasehold   | 40                         | 16                          |
| Burntwood — Townships 63 and 64, Range 12, W4M                  | Leasehold   | 2,240                      | 448                         |
| Chigwell — Townships 41 and 42, Range 24, W4M                   | Leasehold   | 2,240                      | 339                         |
| Choice — Township 40, Range 10, W4M                             | Leasehold   | 320                        | 128                         |
| Condor — Township 39, Range 4, W4M                              | Leasehold   | 1,920                      | 272                         |
| Drumheller — Townships 29 and 30, Range 21, W4M                 | Leasehold   | 1,441                      | 384                         |
| Erskine — Township 39, Range 20, W4M                            | Leasehold   | 1,440                      | 576                         |
| Evergreen — Townships 37 and 38, Range 4, W5M                   | Leasehold   | 1,120                      | 176                         |
| Galahad — Township 40, Range 13, W4M                            | Leasehold   | 2,560                      | 544                         |
| Gilby — Township 41, Range 3, W5M                               | Leasehold   | 800                        | 160                         |
| Hespero — Townships 38 and 39, Range 3, W5M                     | Leasehold   | 1,506                      | 209                         |
| Inland — Township 51, Range 17, W4M                             | Leasehold   | 3,042                      | 1,217                       |
| Kessler — Township 40, Range 10, W4M                            | Leasehold   | 640                        | 256                         |
| Markerville North — Townships 37 and 38,<br>Range 2, W5M        | Leasehold   | 3,536                      | 1,063                       |
| Medin — Township 38, Range 3, W4M                               | Leasehold   | 5,127                      | 574                         |
| Moberly — Township 52, Range 28, W5M                            | Petroleum and<br>Natural Gas<br>Reservation                                     | 73,340                     | 5,982                       |
| Morinville West — Townships 54 and 55,<br>Range 27, W4M         | Leasehold   | 7,548                      | 1,025                       |
| Milk River — Township 3, Range 16, W4M                          | Leasehold   | 3,528                      | 369                         |
| Parflesh — Township 25, Range 21, W4M                           | Leasehold   | 1,280                      | 256                         |
| Pyramid — Townships 104 and 105, Range 10, W6M                  | Petroleum and<br>Natural Gas<br>Reservation                                     | 7,040                      | 752                         |
| Rainbow — Township 110, Range 8, W6M                            | Leasehold   | 320                        | 128                         |
| Raven — Township 37, Range 4, W5M                               | Leasehold   | 1,920                      | 296                         |
| Red Earth — Township 88, Range 9, W5M                           | Leasehold   | 320                        | 64                          |
| Redwater — Townships 58 and 59, Range 22, W4M                   | Leasehold   | 5,760                      | 1,280                       |
| Samson — Townships 43 and 44, Range 24, W4M                     | Leasehold   | 8,331                      | 2,290                       |
| Simonette — Township 62, Range 26, W5M                          | Leasehold   | 2,720                      | 1,067                       |
| Snowfall — Townships 102, 103 and 104,<br>Ranges 11 and 12, W6M | Leasehold<br>Natural Gas License<br>Petroleum and<br>Natural Gas<br>Reservation | 10,240<br>10,400<br>17,920 | 1,120<br>1,040<br>1,888     |
| Swan Hills — Township 67, Range 11, W5M                         | Leasehold   | 640                        | 640                         |
| Sylvan Lake — Townships 37 and 38,<br>Ranges 1 and 2, W5M       | Leasehold   | 9,044                      | 2,906                       |
| Torrens — Township 60, Ranges 12 and 13, W6M                    | Leasehold   | 33,920                     | 1,358                       |
| Venus — Township 102, Ranges 8 and 9, W6M                       | Leasehold   | 11,520                     | 1,200                       |
| Vega — Township 63, Ranges 4 and 5, W5M                         | Petroleum and<br>Natural Gas<br>Reservation                                     | 2,080                      | 448                         |
| Virginia Hills — Township 64, Range 13, W5M                     | Leasehold   | 7,680                      | 1,824                       |
| Bigoray — Township 52, Range 9, W5M                             | Leasehold   | 1,280                      | 512                         |
| Crammond — Township 36, Range 5, W5M                            | Leasehold   | 5,763                      | 766                         |
| Chinchaga — Township 98, Ranges 7 and 8, W6M                    | Leasehold   | 640                        | 80                          |
| Alliance East — Township 40, Range 13, W4M                      | Leasehold   | 6,400                      | 736                         |
| Kessler — Township 40, Range 9, W4M                             | Leasehold   | 2,240                      | 480                         |
|   | Leasehold   | 960                        | 384                         |



| Location  | Type of Holding                                      | Gross Acres <sup>(2)</sup> | Net Acres <sup>(1)(3)</sup> |
|---|--|----------------------------|-----------------------------|
| <i>Alberta (Continued)</i>  |  |                            |                             |
| Hotchkiss — Townships 92 and 93,<br>Ranges 24 and 25, W5M                           | Leasehold  | 9,280                      | 976                         |
|   | Natural Gas License                                  | 22,893                     | 2,290                       |
| Christmas Creek — Township 62,<br>Ranges 10 and 11, W5M                             | Petroleum and<br>Natural Gas Drilling<br>Reservation | 7,680                      | 7,680                       |
|   | Leasehold  | 7,360                      | 1,615                       |
| <i>British Columbia</i>   |  |                            |                             |
| Beaverskin — National Topographic Series<br>Index Map 94-I-1                        | Leasehold  | 3,374                      | 337                         |
| Elder — National Topographic Series Index<br>Maps Nos. 94-H-2 and 94-H-7            | Petroleum and<br>Natural Gas<br>Drilling Reservation | 6,905                      | 1,079                       |
|   | Leasehold  | 346                        | 52                          |
| Elm — National Topographic Series Index<br>Maps Nos. 94-H-2 and 94-H-7              | Petroleum and<br>Natural Gas<br>Drilling Reservation | 6,918                      | 2,767                       |
|   | Leasehold  | 16,186                     | 4,118                       |
| Grizzly Valley — National Topographic Series Index<br>Maps Nos. 93-I-15 and 93-I-10 | Petroleum and<br>Natural Gas<br>Drilling Reservation | 19,003                     | 6,461                       |
|   | Leasehold  | 21,073                     | 21,073                      |
| Highhat — National Topographic Series Index<br>Map 93-P-5                           | Petroleum and<br>Natural Gas Permit                  | 21,073                     | 21,073                      |
| Oval — Township 86, Range 14, W6M   | Leasehold  | 1,953                      | 780                         |
| Palliser — National Topographic Series Index<br>Maps Nos. 82-J-11 and 82-J-6        | Petroleum and<br>Natural Gas Permits                 | 97,882                     | 9,789                       |
|   | Leasehold  | 108,991                    | 22,005                      |
| Redeye — National Topographic Series Index<br>Maps Nos. 94-H-6, 94-H-10 and 94-H-11 | Petroleum and<br>Natural Gas Permits                 | 108,991                    | 22,005                      |
| <i>Saskatchewan</i>   |  |                            |                             |
| Hoosier — Township 30, Ranges 27 and 28, W3M  | Leasehold  | 1,909                      | 764                         |
| Benson — Township 6, Range 9, W2M   | Leasehold  | 320                        | 128                         |
| TOTAL   |  | 620,396                    | 119,623                     |

- (1) NOTE: The Company's net acreage interest in certain of the above-described properties is subject to being reduced following the recovery by the Company of certain costs out of the gross proceeds of production from the lands involved. As a result of such reduction, the Company's total net acreage interest would be reduced by approximately 1,635 net acres. Additionally, at the time that a selection of leases is made in respect to those properties subject to petroleum and natural gas drilling reservations, up to fifty percent of the acreage subject to the drilling reservation will revert to the grantor of the drilling reservation.
- (2) "Gross Acres" — represents all acres in respect of which the Company has a working interest.
- (3) "Net Acres" — represents the aggregate of the working interests of the Company in the gross acres.

## OIL AND GAS RESERVES

In a report dated January 22, 1973, as supplemented by a supplement thereto dated April 19, 1973, Cawley and Harrington, Inc., Fort Worth, Texas, estimated the oil and gas reserves attributable to the interest of the Company in certain of the properties of the Company, as of September 30, 1973, to be as follows:

| Reserve Category                       | Net Reserves                         |                            |
|--|--------------------------------------|----------------------------|
|  | Oil/condensate<br>bbl <sup>(1)</sup> | Gas<br>MMcf <sup>(2)</sup> |
| Proved Reserves <sup>(3)</sup>         |                                      |                            |
| Developed Producing .....              | 770,500                              | 1,556.1                    |
| Developed Non-Producing .....          | 9,000                                | 14,843.6                   |
| Undeveloped .....                      | —                                    | 40,284.4                   |
| Probable Reserves <sup>(4)</sup> ..... | 128,400                              | 1,391.0                    |
| Possible Reserves <sup>(5)</sup> ..... | 339,035                              | 349,148.0                  |

## NOTES:

- (1) "bbl" — stock tank barrels of crude oil and/or condensate and plant liquids.
- (2) "MMcf" — millions of standard cubic feet of gas.
- (3) "Proved Reserves" — those reserves which can be reasonably anticipated from the present zones of completion by current methods of operations.
- (4) "Probable Reserves" — those reserves within the known geological limits of a productive reservoir which are indicated by limited evidence of commercially producible oil and/or gas but where the evidence is insufficient to qualify under the "proved" definition.
- (5) "Possible Reserves" — those reserves whose existence may be inferred from geological considerations, but where available data will not support a higher classification at the present time.



## APPENDIX 2 (Item 39)

| Name and Address   | Position Held   | Principal Occupation for Past Five Years  |
|--|---|---|
| Wilford Blaine Fultz<br>1409 Indian Creek Drive<br>Fort Worth, Texas, U.S.A. | Director,<br>Chairman of the Board<br>and Vice-President  | President and General Manager of Fultz Oil Company. President of the Company from January, 1969, until November, 1972. Since November, 1972, Chairman of the Board of American Quasar Petroleum Co. and Vice-President and Chairman of the Board of the Company.  |
| David Albert McMahon<br>6300 Greenway Road<br>Fort Worth, Texas, U.S.A.      | Director,<br>Vice-Chairman of the Board<br>and Vice-President                                       | Independent oil operator until July of 1969. President of American Quasar Petroleum Co. and Vice-President of the Company from July, 1969, until November, 1972. Since November, 1972, Vice-Chairman of the Board of American Quasar Petroleum Co. and Vice-Chairman and Vice-President of the Company.   |
| Richard Lawrence Lowe<br>16 Valley Ridge Road<br>Fort Worth, Texas, U.S.A.   | Director  | Independent oil operator until July of 1969. Vice-President of the Company and American Quasar Petroleum Co. from July, 1969, until June, 1970. From 1970, and currently, Chairman of the Board and President of Canadian-American Resources Fund, Inc. Since November, 1972, President of American Quasar Petroleum Co.  |
| Walter A. Schmid, Jr.<br>Post Office Box 389<br>Hico, Texas, U.S.A.          | Director,<br>Vice-President and Chairman<br>of the Executive Committee<br>of the Board of Directors | Executive Vice-President of Lonestar Brewing Company until July, 1970. Currently Chairman of the Executive Committee of the Board of Directors of the Company and American Quasar Petroleum Co. and since November, 1972, a Vice-President of the Company.  |
| C. O. Ted Collins, Jr.<br>1404 West Pecan<br>Midland, Texas, U.S.A.          | Director and President  | Independent oil operator until July, 1969. From July, 1969, until March, 1970, Secretary-Treasurer of the Company and Vice-President of American Quasar Petroleum Co. From March, 1970, until November, 1972, Vice-President of the Company and American Quasar Petroleum Co. From November, 1972, President of the Company and Executive Vice-President of American Quasar Petroleum Co. |
| Bobby F. Abernathy<br>10723 Willowgreen Drive S.E.<br>Calgary, Alberta       | Director and<br>Executive Vice-President  | Chief Engineer with Amoco-Canada Petroleum Corp. Ltd. from 1968 to 1972. Since October, 1972, Vice-President of American Quasar Petroleum Co.   |
| Albert J. Cohen<br>7745 Willow Stream<br>Dallas, Texas, U.S.A.               | Secretary-Treasurer   | Public accountant with Alexander Grant & Company prior to October, 1968. From October, 1968, to March, 1970, Vice-President and Controller of Bonanza International, Inc. Since March, 1970, Secretary-Treasurer of American Quasar Petroleum Co. and Quasar Petroleum Ltd.   |
| Robert G. McCullouch<br>R.R. #2<br>Claremont, Ontario                        | Director  | Executive Vice-President, Midland-Osler Securities Limited, investment dealers.   |
| Glenn Cyril Speakman<br>17 Caverly Drive<br>Toronto, Ontario                 | Director  | Manager, Corporate Underwriting, Midland-Osler Securities Limited, investment dealers.  |



**FINANCIAL STATEMENTS**  
**QUASAR PETROLEUM LTD. AND SUBSIDIARY**  
**CONSOLIDATED BALANCE SHEETS**

**A S S E T S**

|   | Canadian dollars   |                    |
|---|--------------------|--------------------|
|   | December 31,       |                    |
|   | 1972               | 1971               |
| <b>CURRENT ASSETS</b>   |                    |                    |
| Cash .....  | \$1,022,000        | \$ 219,000         |
| Accounts receivable   |                    |                    |
| Trade .....   | 698,000            | 88,000             |
| Limited partnerships .....  | 62,000             | 16,000             |
| Gas purchaser (Note 3) .....  | 721,000            | —                  |
| Insurance claim covering cost of control and re-drilling a well ..... | 1,117,000          | —                  |
| Total current assets .....  | 3,620,000          | 323,000            |
| <b>OIL AND GAS PROPERTIES (Note 1)</b>                                |                    |                    |
| Developed .....   | 424,000            | 149,000            |
| Well equipment and gas processing facilities .....                    | 853,000            | 219,000            |
| Undeveloped .....   | 670,000            | 291,000            |
| Drilling in progress and warehouse inventory .....                    | 307,000            | 266,000            |
|   | 2,254,000          | 925,000            |
| Less accumulated depreciation and depletion .....                     | 57,000             | 12,000             |
|   | 2,197,000          | 913,000            |
| <b>OTHER ASSETS</b>   |                    |                    |
| Notes receivable  |                    |                    |
| Parent company .....  | —                  | 173,000            |
| Others .....  | —                  | 58,000             |
| Other assets .....  | 146,000            | 197,000            |
|   | 146,000            | 428,000            |
|   | <u>\$5,963,000</u> | <u>\$1,664,000</u> |

**LIABILITIES AND SHAREHOLDERS' EQUITY**

|  | Canadian dollars   |                    |
|--|--------------------|--------------------|
|  | December 31,       |                    |
|  | 1972               | 1971               |
| Current accounts payable and accrued liabilities .....           | \$1,024,000        | \$ 255,000         |
| Advances from gas purchaser (Note 3) .....                       | 1,690,000          | —                  |
| Shareholders' equity (Note 4)                                    |                    |                    |
| Share capital  |                    |                    |
| Authorized — 10,000,000 common shares, par value 25c             |                    |                    |
| Issued — 4,017,770 shares (3,564,755 at December 31, 1971) ..... | 1,004,000          | 891,000            |
| Additional paid-in capital .....                                 | 3,346,000          | 1,289,000          |
| Deficit .....  | ( 1,101,000)       | ( 771,000)         |
|  | 3,249,000          | 1,409,000          |
| Commitments and contingent liabilities (Note 2)                  |                    |                    |
|  | <u>\$5,963,000</u> | <u>\$1,664,000</u> |

To the Shareholders of  
**QUASAR PETROLEUM LTD.**

We have examined the consolidated balance sheets of Quasar Petroleum Ltd. and subsidiary as at December 31, 1972 and 1971 and the consolidated statements of operations and deficit and changes in financial position for the years then ended. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion these consolidated financial statements present fairly the financial position of the Company as at December 31, 1972 and 1971 and the results of their operations and changes in financial position for the years then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Calgary, Alberta  
March 2, 1973

**PRICE WATERHOUSE & CO.**  
Chartered Accountants

The accompanying Notes to Financial Statements are an integral part of these statements.



**QUASAR PETROLEUM LTD. AND SUBSIDIARY**  
**CONSOLIDATED STATEMENTS OF OPERATIONS AND DEFICIT**

|                                   | Canadian dollars        |                   |
|-----------------------------------|-------------------------|-------------------|
|                                   | Year ended December 31, |                   |
|                                   | 1972                    | 1971              |
| Revenue                           |                         |                   |
| Oil and gas sales .....           | \$ 143,000              | \$ 47,000         |
| Interest and other income .....   | —                       | 12,000            |
|                                   | <u>143,000</u>          | <u>59,000</u>     |
| Expenses                          |                         |                   |
| Production and operating .....    | 88,000                  | 28,000            |
| Exploration .....                 | 56,000                  | 11,000            |
| Depreciation and depletion .....  | 133,000                 | 101,000           |
| Administration .....              | 196,000                 | 159,000           |
|                                   | <u>473,000</u>          | <u>299,000</u>    |
| Net loss for the year .....       | 330,000                 | 240,000           |
| Deficit — beginning of year ..... | 771,000                 | 531,000           |
| Deficit — end of year .....       | <u>\$1,101,000</u>      | <u>\$ 771,000</u> |
| Loss per share (Note 1) .....     | <u>\$ .09</u>           | <u>\$ .07</u>     |

**QUASAR PETROLEUM LTD. AND SUBSIDIARY**  
**CONSOLIDATED STATEMENTS OF CHANGES IN FINANCIAL POSITION**

|  | Canadian dollars        |                   |
|--|-------------------------|-------------------|
|  | Year ended December 31, |                   |
|  | 1972                    | 1971              |
| <b>FINANCIAL RESOURCES WERE PROVIDED BY:</b>                                     |                         |                   |
| Issue of share capital for cash (Note 4) .....                                   | \$2,170,000             | \$ 531,000        |
| Advances from gas purchaser (Note 3) .....                                       | 1,690,000               | —                 |
| Collections of loans made to parent and affiliate .....                          | 173,000                 | 454,000           |
|  | <u>4,033,000</u>        | <u>985,000</u>    |
| <b>FINANCIAL RESOURCES WERE USED FOR:</b>  |                         |                   |
| Working capital applied to operations  |                         |                   |
| Net loss for period .....  | 330,000                 | 240,000           |
| Deduct charges not affecting working capital                                     |                         |                   |
| Depreciation and depletion .....   | 133,000                 | 101,000           |
| Exploration costs .....  | 75,000                  | 11,000            |
| Other .....  | —                       | 20,000            |
|  | <u>208,000</u>          | <u>132,000</u>    |
| Working capital applied to operations .....                                      | 122,000                 | 108,000           |
| Expenditures for acquisition, exploration, development and equipment costs ..... | 1,402,000               | 637,000           |
| Other .....  | ( 19,000)               | 23,000            |
|  | <u>1,505,000</u>        | <u>768,000</u>    |
| Increase (decrease) in working capital during period .....                       | <u>\$2,528,000</u>      | <u>\$ 217,000</u> |

The accompanying Notes to Financial Statements are an integral part of these statements.



**QUASAR PETROLEUM LTD. AND SUBSIDIARY**  
**NOTES TO FINANCIAL STATEMENTS — DECEMBER 31, 1972**

**1. Accounting Policies**

The Company is an 81% owned subsidiary of American Quasar Petroleum Co. ("American Quasar"), a Texas Corporation. The consolidated balance sheets include the accounts of the Company and its wholly-owned subsidiary.

It is the practice of the Company to capitalize acquisition, exploration and development costs associated with productive properties and to deplete such costs on a lease by lease unit of production method based on estimated recoverable reserves of oil and gas. Acquisition and exploration and development expenditures associated with non-productive properties as well as any estimated unrecoverable costs of producing properties are charged to operations at the time the projects are determined to be uneconomical. Equipment and gas processing facilities are depreciated on a straight-line basis over the estimated useful lives (12 to 30 years). Accumulated depreciation and depletion is as follows:

|                          | December 31,    |                 |
|--------------------------|-----------------|-----------------|
|                          | 1972            | 1971            |
| Accumulated depreciation | \$40,000        | \$ 9,000        |
| Accumulated depletion    | 17,000          | 3,000           |
|                          | <u>\$57,000</u> | <u>\$12,000</u> |

Procedures followed in translating accounts in foreign funds were consistent with those of the preceding year. The accounts have been translated at appropriate current and historical rates of exchange.

Loss per common share for 1972 and 1971 is based on the weighted average of shares outstanding during the year.

**2. Joint Venture Agreement, Limited Partnerships and Commitments and Contingent Liabilities**

The Company is party to a joint venture agreement expiring in 1975 with Canadian-American Resources Fund, Inc. ("Can-Am"), a wholly-owned subsidiary of American Quasar. Among other things, the agreements grant limited partnerships sponsored by Can-Am the right to participate in all oil and gas prospects assembled by the Company. The limited partnerships pay certain costs deductible for United States income tax purposes and earn a 60% working interest in joint venture properties while the Company is committed to pay certain costs which are not deductible for United States income tax purposes and earns a 40% working interest in joint venture properties. Costs of property and equipment acquired for treating and marketing oil and gas production, costs of secondary recovery systems and costs of any additional leasehold interests purchased from third parties after a well on a drilling prospect has been drilled are allocated 60% to limited partnerships and 40% to the Company. Limited partnerships also bear 60% of the Company's overhead allocable to the joint venture.

Can-Am is the managing general partner for limited partnerships previously formed and to be formed in the future and has full exclusive discretion in the management and control of such limited partnerships. The Company acts as the non-managing general partner for the partnerships. The general partners are contingently liable for all indebtedness of the limited partnerships in excess of the limited partners' initial capital contributions. The Company has advanced and may continue to advance, on behalf of the limited partnership drilling activities. Such advances are recoverable only out of limited partnership revenues and/or borrowings.

The Company and Can-Am have committed to repurchase limited partnership interests up to an amount equal to 10% annually of the total subscriptions for limited partnerships formed or to be formed subsequent to November, 1972. One such partnership has been formed with subscriptions of \$5,312,500 (U.S.).

**3. Advances from Gas Purchaser**

The Company has entered into a gas purchase contract for the sale of natural gas from certain leases and has received thereunder prepayments of \$969,000 and at December 31, 1972, had advances receivable of \$721,000. The gas purchaser is entitled to be repaid out of 25% of revenues from the wells based upon the minimum contract quantities of gas delivered and 50% of revenues in excess thereof for the first five years and 50% of all revenues thereafter until 110% of the advances are fully repaid.

**4. Shareholders' Equity**

The Company has reserved 20,000 shares of its common stock for the exercise of options granted on August 1, 1971, to an officer to acquire 14,850 shares at \$6.50 each (market value at date of grant) for a term of five years from date of grant, and 5,150 shares at \$3.25 each (market value at date of grant \$6.50 each) for a term of two years from date of grant. No options have been exercised.

Outstanding warrants to purchase 733,700 common shares of the Company became exercisable on December 26, 1970, and entitled the holder thereof to purchase one common share of the Company at a



price of \$2.50 until June 26, 1971, and thereafter at a price of \$5.00 until June 26, 1972, on which date they expired; warrants for 219,755 shares were exercised at a price of \$2.50 per share during 1971 and warrants for 453,015 shares were exercised at a price of \$5.00 per share during 1972.

The changes in share capital and additional paid-in capital resulting from the exercise of warrants is shown below:

|  | Share<br>capital   | Additional<br>paid-in<br>capital |
|--|--------------------|----------------------------------|
| Balance, December 31, 1970 .....       | \$ 836,000         | \$ 813,000                       |
| Exercise of warrants during 1971 ..... | 55,000             | 476,000                          |
| Balance, December 31, 1971 .....       | 891,000            | 1,289,000                        |
| Exercise of warrants during 1972 ..... | 113,000            | 2,057,000                        |
| Balance, December 31, 1972 .....       | <u>\$1,004,000</u> | <u>\$3,346,000</u>               |

5. *Income Taxes*

The companies have had losses since inception for financial accounting purposes and no income taxes have been payable. At December 31, 1972, the companies had unclaimed deductions for exploration and development expenditures, and unclaimed capital cost allowances available for use in future years.

6. *Statutory Information*

Aggregate direct remuneration paid by the Company and its subsidiary to the directors and senior officers of the Company amounted to \$72,000 for the year ended December 31, 1972.







